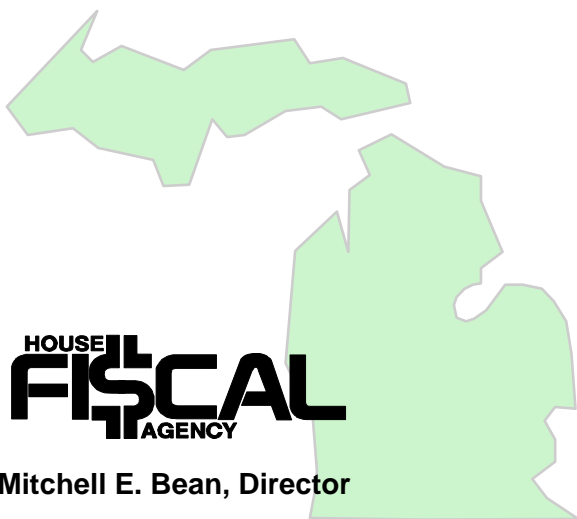


LINE ITEM AND BOILERPLATE SUMMARY

HISTORY, ARTS, AND LIBRARIES

**Fiscal Year 2004-05
Public Act 340 of 2004
House Bill 5519**

As Enacted



Mitchell E. Bean, Director

November 2004

Prepared and Compiled by:

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November 2004

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2004-05 appropriation acts. Each **Summary** contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, a brief explanation of each boilerplate section in the appropriations bill is provided.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

If you would like to obtain a Line Item Summary for a particular budget area, please contact Jeanne Dee, Administrative Assistant, at 373-8080.

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GLOSSARY

Frequently-Used State Budget Terms

Adjusted Gross

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)

Boilerplate

Specific language sections contained in an appropriations act which direct, limit or restrict line item expenditures, and/or require reports

Budget Stabilization Fund (BSF)

The countercyclical economic and budget stabilization fund—also known as the "rainy day" fund

Federal Revenues

Federal grant or matchable revenues dedicated to specific programs

General Fund/General Purpose (GF/GP)

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues

Gross Appropriations (Gross)

The total of all applicable line item spending authorizations

Interdepartmental Grant (IDG)

Revenue or funds received by one state department from another state department (usually for a service the receiving department provides)

Intradepartmental Transfer (IDT)

Transfers or funds being provided from one appropriation unit to another in the same department

Lapses

Unspent/unobligated funds remaining in line item accounts at the end of the fiscal year

Line Items

Specific funding amount in an appropriations bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes)

Local Revenue

Revenues from local units of government

State Restricted (Restricted Funds)

State revenue dedicated to a specific fund; revenue which results from state mandates or initiatives; used for used for specific programs pursuant to the Constitution or statute

Private Funds

Revenues from non-government entities such as rents, royalties or interest payments, payments from hospitals, payments from individuals, and gifts and bequests

School Aid Fund (SAF)

The primary funding source for K-12 schools and Intermediate School Districts (ISDs)

Work Project

An account established to allow for certain specific unspent funds to be carried over from one fiscal year to a succeeding fiscal year or years

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

The Department of History, Arts, and Libraries (HAL) was created in 2001 to bring a focus to the state's efforts to develop and promote its arts, culture, library, and heritage resources. The Department's mission is to enrich quality of life for Michigan residents by providing access to information, preserving and promoting Michigan's heritage, and fostering cultural creativity. The Department includes the Mackinac Island State Park Commission, the Michigan Council for Arts and Cultural Affairs, the Michigan Film Office, the Michigan Historical Center and the Library of Michigan.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	232.0	Full-time equated (FTE) positions in the state classified service.
Total full-time equated positions	238.0	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
GROSS APPROPRIATION	\$57,993,600 \$57,083,600	Total of all applicable line item appropriations.
Total interdepartmental grants and intradepartmental transfers	139,000	Total of all grants from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$56,954,600 \$56,944,600	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total federal revenues	8,151,300	Total federal grant or matchable revenues.
Total private revenues	577,400	Total private grant revenues.
Total other state restricted revenues	2,412,400	State revenue dedicated to a specific fund (other than General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$45,813,500 \$45,803,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 102: DEPARTMENT OPERATIONS

The Department Operations Unit provides funding for the central policy and administrative direction, and support services to the Department. Organizations funded under this unit are the Offices of the Director, Communications, and Regulatory Affairs; and the Business Services, Human Resources, and Resources Review Divisions.

The unit also funds the Michigan Film Office that was established in 1979 to market Michigan to the movie, television, video, commercial, documentary, industrial film and print media industry, using conventional and unconventional communication tools. The goal of this effort is the promotion of the Michigan film and video industry, thereby increasing state revenues.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions authorized.		
Full-time equated classified positions	29.0	FTE positions in the classified service of the state. <i>Note: based on 2,088 hours for 1.0 FTE position</i>		
Unclassified salaries	\$219,300	Salary of the Department director. Funding Source(s):	GF/GP	219,300
		<i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217</i>		
Management services – 28.0 FTE positions	1,868,900	Funding for all central management services of Department. Funding Source(s):	GF/GP	1,868,900
		<i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217</i>		
Building occupancy charges and rent	2,678,600	Rent and property management charges paid for the use of state-owned facilities and privately-owned facilities. Funding Source(s):	GF/GP	2,678,600
		<i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>		
Worker's compensation	17,000	Payment of worker's compensation premiums in accordance with provisions of the Worker's Compensation Act. Funding Source(s):	GF/GP	17,000
		<i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>		
Film office – 1.0 FTE position	135,800	Promotes Michigan as a location for movie and television productions. Funding Source(s):	GF/GP	135,800
		<i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217</i>		
Human resources optimization user charges	29,500	Supports a Human Resources Service Center which will be housed at the Department of Civil Service. Funding Source(s):	GF/GP	29,500
		<i>Related Boilerplate Section(s): 202, 204, 207, 208, 209, 210, 211</i>		
GROSS APPROPRIATION	\$4,949,100	Total of all applicable line item appropriations.		
GENERAL FUND/ GENERAL PURPOSE	\$4,949,100	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.		

SECTION 103: INFORMATION TECHNOLOGY

This appropriation unit contains funds for information technology services and projects administered by the Department of Information Technology.

Information technology services and projects	\$998,600	Funding designated for technology costs; funded from History, Arts, and Libraries, and administered by the Department of Information Technology.	
		Funding Source(s):	
		IDG	3,600
		Restricted	46,400
		GF/GP	948,600

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 213, 214

GROSS APPROPRIATION	\$998,600	Total of all applicable line item appropriations.
Total interdepartmental grants and intradepartmental transfers	3,600	Total of all grants from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$995,000	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total other state restricted revenues	46,400	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
GENERAL FUND/ GENERAL PURPOSE	\$948,600	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 104: MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS

These appropriations provide for the state's Arts and Cultural Grants program as well as for staff and administrative support for the Michigan Council for Arts and Cultural Affairs (MCACA). The mission of the Council is to encourage, develop, and facilitate an enriched environment of artistic, creative, and cultural activity in Michigan. The Council is also responsible for distribution of the arts grants and administration of grant programs that provide funding to various arts and cultural organizations and arts education programs throughout the state. The Council is made up of 15 members appointed by the governor to serve three-year terms.

Full-time equated classified positions	9.0	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Administration – 9.0 FTE positions	\$702,800	Staff and administrative support for the Michigan Council for Arts and Cultural Affairs. Council and its staff administer the appropriation for arts and cultural grants, set goals to strengthen arts and culture in the state, support arts education, broaden cultural awareness, establish and facilitate communication networks, and expand and develop funding resources for arts and cultural activities. Funding Source(s): GF/GP 702,800 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217, 401</i>
Arts and cultural grants	11,771,300	Funding for the major grants programs: Anchor Organization Program, Arts Projects Program, Arts and Learning Program, Artists in Residence Program, Arts Organization Development Program, Capital Improvement Program, Local Arts Agencies Services Program, Regional Regranting Program, Partnership Program, Discretionary Grants Program, Rural Arts and Cultural Program, Cultural Projects Program, and the Historical Projects Program. Programs provide matching funds to arts organizations and arts projects throughout the state. Funding Source(s): Federal 700,000 GF/GP 11,071,300 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 401</i>
GROSS APPROPRIATION	\$12,474,100	Total of all line item appropriations.
Total federal revenues	700,000	Total federal grant or matchable revenues.
GENERAL FUND/ GENERAL PURPOSE	\$11,774,100	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 105: MACKINAC ISLAND STATE PARK COMMISSION

This unit provides funding for oversight of operational activities and preservation of historic resources at the Mackinac Island State Park, the Michilimackinac State Park and the Mill Creek State Park.

Full-time equated classified positions	39.0	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Mackinac Island park operation – 24.3 FTE positions	\$1,344,500	Funds all non-historical facility portions of the Mackinac Island State Park, Michilimackinac State Park, and Mill Creek State Park. Facilities include nearly 2,400 acres, roads and trails, public utility sites, security, recreational facilities, docks, beaches, nature centers, and an airport. Supervision of leases, franchises, and concessions is also provided. Programs serve more than 800,000 park visitors during the five-month season; general funds support 65 non-revenue producing historic buildings. Funding Source(s): Restricted 153,700 GF/GP 1,190,800 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217</i>
Historical facilities system – 14.7 FTE positions	1,633,800	Operates historic buildings and museums; operational costs of historical facilities are supported from user fees. Funding Source(s): Restricted 1,325,500 GF/GP 308,300 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217</i>
GROSS APPROPRIATION	\$2,978,300	Total of all applicable line item appropriations.
Total state restricted revenues	1,479,200	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$1,499,100	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 106: MICHIGAN HISTORICAL PROGRAM

This appropriation unit provides funding for the preservation and interpretation of Michigan's history.

Full-time equated classified positions	83.0	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Federal programs – 12.0 FTE positions	\$1,893,900	<p>State Historic Preservation Office identifies and protects historic sites through research and registration programs, planning, technical assistance, public education, grants, and compliance with federal laws.</p> <p style="text-align: right;">Funding Source(s): Federal 1,893,900</p> <p><i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217, 501</i></p>
Heritage publications	700,000	<p>Publishes various materials relating to Michigan history; supported by the Heritage Publication Fund, a revolving fund. Primary publication is the <i>Michigan History</i> magazine, a bimonthly periodical with a subscription base of more than 32,000.</p> <p style="text-align: right;">Funding Source(s): Restricted 700,000</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i></p>
Historical administration and services – 71.0 FTE positions	5,216,600	<p>Funds administration of the Michigan History Program, which preserves and interprets Michigan's past.</p> <p><u>Michigan Historical Museum System:</u> Includes Michigan Historical Museum in Lansing, nine field museums, and one historic site.</p> <p><u>State Archives:</u> Cares for state and local government records determined to have enduring value; provides services to government, businesses, researchers, and the general public; provides assistance to local units of government in the areas of land records, probate records, and circuit court records management.</p> <p><u>Records Management Services:</u> Manages state government records by developing retention and disposal schedules for all state government agencies, advising agencies on the use of technology in records management and preservation, and operating the state records center.</p> <p><u>Office of the State Archeologist:</u> Advises state agencies on management of sites and approving permits for archeological studies on state lands; shares responsibility with Department of Environmental Quality for implementing state law on shipwrecks; serves as the statewide repository for information on more than 15,000 archeological sites, and provides archeological expertise to the federally-funded Historic Preservation program; manages, with the National Oceanic and Atmospheric Administration, Thunder Bay National Underwater Preserve and Marine Sanctuary.</p>

continued

Historical administration and
services

continued

State Historic Preservation Office: Identifies, evaluates, registers, interprets, and protects Michigan's historic buildings and landscapes with a variety of services, training, and grant opportunities. Reviews nominations to National Register of Historic places and oversees Michigan Historical Marker program, Centennial Farms program, Certified Local Government program, and Historical Preservation Tax Credit Program.

Publications Section: Administers publication of the *Michigan History* magazine; writes some material, edits all material, assists with design, manages private contracts, and develops advertising and promotional activities. Also produces various brochures, pamphlets, and booklets explaining historical programs administered by the Center and the *Michigan History for Kids* magazine and *The Mitten* newsletter.

Includes the following:

Mann House: In Concord, Michigan; financed by a private bequest for operation of the house.

Lighthouse Program: Grant program to assist with preservation of Michigan lighthouses being transferred from federal ownership. Grants are limited to \$40,000 maximum and not available for operational purposes. Some appropriations may be used by the Department for program administration and to assist with transfer of lighthouses from the federal government.

Funding Source(s):	IDG	135,400
	Restricted	99,900
	GF/GP	4,981,300

Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 217, 503, 504, 505, 506, 507, 508

Private grants and gifts	502,400	Authorizes Department to receive and expend private grants and gifts. Includes State Historical Marker program that is paid for by the marker sponsors, and Centennial Farm Marker program that is paid for by local utilities.
		Funding Source(s): Private 502,400

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211

Thunder Bay national marine sanctuary and underwater preserve	189,600	Funds Thunder Bay National Marine Sanctuary and Underwater Preserve that manages the collection of shipwrecks in the bottomlands of Thunder Bay.
		Funding Source(s): GF/GP 189,600

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 217

Historical grants –	35,000	Supports the Michigan History Day; Governor vetoed the Arenac County Historical Society for the Charity Island Lighthouse Preservation Project allocation of \$10,000 in Section 509 of boilerplate.
PARTIAL VETO	25,000	
		Funding Source(s): GF/GP 25,000

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 217, 509

GROSS APPROPRIATION	\$8,537,500	Total of all applicable line item appropriations.
	\$8,527,500	

Total interdepartmental grants and intradepartmental transfers	135,400	Total of all grants from other departments and transfer of funds.
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ADJUSTED GROSS APPROPRIATION	\$8,182,700 \$8,172,700	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total federal revenues	1,893,900	Total federal grant or matchable revenues.
Total private revenues	502,400	Total private grant revenues.
Total other state restricted revenues	799,900	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$5,205,900 \$5,195,900	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 107: LIBRARY OF MICHIGAN

The Library of Michigan is charged primarily with providing reference services to the Executive, Legislative, and Judicial branches of state government, and to the general public. As the fourth largest state library in the nation, the Library maintains a collection of over three million books, millions of state and federal government publications, Michigan newspapers on microfilm, magazines and other periodicals, and one of the country's leading collections on family history. The Library also assists public libraries statewide. Workshops and training seminars are conducted by Library staff to train librarians and library trustees in the areas of technology, administration, finance, and patron services.

As the administrative agency, the Library distributes state aid funding to Michigan public libraries and public library cooperatives; federal funds are distributed annually to support Michigan libraries through statewide projects, competitive grant projects, and subgrant projects dedicated to a specific area of statewide interest. The Library of Michigan is linked to the Library of Congress, and is the state agency responsible for library services to the blind and to persons with disabilities. Students and senior citizens use these services widely through the Library and through a network of subregional libraries.

Full-time equated classified positions	72.0	Full-time equated (FTE) positions in the state classified service.
Book distribution centers	\$327,500	<p>Administers state funding of the Book Distribution Program, a service which provides donated reading and educational materials free of charge to eligible recipients based on federal guidelines. Eligible recipients include adult basic education students; migrant, bilingual, and special education students; veterans' homes and hospitals; sheltered workshops; state prison camps and institutions; low-income senior citizens; substance abuse programs; homes for the abused; and adult literacy students.</p> <p style="text-align: right;">Funding Source(s): GF/GP 327,500</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 607</i></p>
Collected gifts and fees	161,900	<p>Authorizes receipt of contributions, bequests, devises, user fees, grants, and donations from private individuals and agencies for purpose of promoting, continuing, or accomplishing a specific project or task that supports the mission of the Library.</p> <p style="text-align: right;">Funding Source(s): Private 75,000 Restricted 86,900</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i></p>
Library of Michigan operations – 72.0 FTE positions	6,267,300	<p>Funds some operation costs (salaries, benefits, telephone, equipment, postage, travel, purchased services and contracts, subscriptions, microforms, magazines, books, book preservation, office and maintenance supplies, printing, and operations of Law Library). Funds part of statewide contracts for Michigan eLibrary (MeL) databases, which provide database access to Michigan residents through public, school, academic and special libraries, or remotely using a driver's license or state identification card; project is a compilation of computer files and lists providing a subject organization for selected sources of information on the internet.</p> <p style="text-align: right;">Funding Source(s): GF/GP 6,267,300</p> <p><i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 215, 217, 603</i></p>

Library services and technology act	5,557,400	<p>Funds libraries throughout the state in the form of subgrants. Funds special projects in the state's libraries for: assisting libraries that serve persons with disabilities, providing Internet access grants and training centers around the state, encouraging library technology and networking among all types of libraries, encouraging multi-type library cooperation for the purpose of improving citizen access to information, and providing outreach services to individuals who are having difficulty using a library. The Library of Michigan serves as the administrative agency that plans and monitors use of the three categories of subgrants.</p> <p>Funding Source(s): Federal 5,557,400</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 217, 603</i></p>
Preservation and access for Michigan project	965,000	<p>Funding to digitize materials currently in the possession of libraries in the state and to preserve, store, and make these digitized images available via the Michigan Electronic Library (MEL). Subject materials are to be significant in the state's history, the only existing copies of unique items, or of broad interest to the citizens of Michigan. An evaluation group comprised of representatives of libraries and universities will decide on items that meet the criteria.</p> <p>Funding Source(s): GF/GP 965,000</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 217, 609</i></p>
State aid to libraries	13,327,100	<p>State-funded assistance to public libraries, as a supplement to local funding, to ensure that all Michigan residents have access to library services. Provides books and materials, staff training, interlibrary loan services, and document delivery services to link libraries together; 1977 PA 89 establishes eligibility requirements public libraries or library cooperatives must meet to qualify for state aid and sets the amount of funding to be distributed to each qualified library in the form of five different grants. The Library of Michigan administers the funding, monitors requirements and payment systems, and publishes an annual report summarizing statistical information gathered on state aid.</p> <p>Funding Source(s): GF/GP 13,327,100</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i></p>
Subregional state aid	505,000	<p>Supports distributing free reading materials made available to all Michigan residents who cannot see or read regular print due to a physical disability. Such materials include books and magazines recorded on audiocassette, flexible disc, and in Braille; cassette and disc-playing equipment and accessories; and audio and close-captioned films. Appropriation is divided equally among 11 subregional libraries and one regional library for the blind and for persons with disabilities.</p> <p>Funding Source(s): GF/GP 505,000</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 601, 602</i></p>
Wayne County library for the blind and physically handicapped	44,800	<p>Funds the library, which provides reading materials to the blind and to persons with disabilities in Wayne County.</p> <p>Funding Source(s): GF/GP 44,800</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i></p>

GROSS APPROPRIATION	\$27,156,000	Total of all applicable line item appropriations.
Total federal revenues	5,557,400	Total federal grant or matchable revenues.
Total private revenues	75,000	Total private grant revenues.
Total other state restricted revenues	86,900	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$21,436,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

BOILERPLATE SECTION INFORMATION

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Specifies total state spending and state appropriations to be paid to local units of government.

Sec. 202. Appropriations Subject to the Management and Budget Act

Subjects appropriations to Management and Budget Act.

Sec. 203. Acronym Definitions

Describes acronyms contained within this appropriations act.

Sec. 204. Civil Service 1% Charge

Requires Department of Civil Service to bill departments for 1% charge authorized by the State Constitution by the end of the first fiscal quarter; requires departments to pay the billing by the end of the second fiscal quarter.

Sec. 205. State Classified Civil Service Hiring Freeze

Imposes a hiring freeze on the state classified civil service, permits exceptions, and requires a report on the number of exceptions granted, to include justification for the exceptions.

Sec. 207. Privatization Plans

Requires Department to submit a complete project plan 60 days prior to beginning any effort to privatize, and requires an evaluation of the privatization initiative within 30 months.

Sec. 208. Internet Reporting

Directs Department to use the internet for fulfilling reporting requirements in this act and authorizes transmission of reports via e-mail.

Sec. 209. American/Michigan Goods and Services

Requires Department to give preference to Michigan- or American-produced goods and services regarding purchases made with funds appropriated in part 1.

Sec. 210. Business in Deprived and Depressed Communities

Requires directors of departments to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

Sec. 211. Affirmative Action Programs

Requires Department, in order to receive GF/GP funding, follow guidelines developed by the state equal opportunity workforce planning council.

Sec. 213. Department of Information Technology User Fees

Directs Department to pay user fees to Department of Information Technology for technology-related services and projects.

Sec. 214. Information Technology Work Projects

Designates funding appropriated for information technology as work projects.

Sec. 215. Acceptance/Appropriation of Service Fee Revenue

Allows Department to receive and expend fee revenue from reproduction services, conferences, trainings, storage services, supplying census information and rental of Department exhibits and collections; funds may be carried over for expenditure in following fiscal years.

Sec. 216. History, Arts, and Libraries Service Fund

Creates the History, Arts and Libraries Service fund within the Department, allows receipt and expenditure in part 1, and allows for carry over into subsequent fiscal years.

Sec. 217. Travel Limitations

Details travel limitations and exceptions.

Sec. 218. Supplemental Fund Sources

States intent of the Legislature to explore supplemental funding for the Department.

Sec. 401(1). Criteria for Grant Application

Mandates to the Michigan Council for Arts and Cultural Affairs administration of all arts and cultural grant appropriations. Empowers the council to evaluate grant requests, evaluate program quality, consider geographic equity in awarding grants, and provide guidance as to who may apply for grants and for what purposes.

Sec. 401(2). Local and/or Private Match to Appropriated Grant Funds

Requires a local and/or private match to appropriated grant funds; matching fund amounts must be substantiated by recipient agencies.

Sec. 401(3). Grant Agreements

Requires each grant recipient to have a grant agreement with Department which specifies applicable criteria included in this section and a listing of projects funded.

Sec. 401(4). Reporting Requirements

Directs entities receiving funds from this section to submit to the council a final report covering the grant period; requires submission of an audit and annual report if an awardee receives grants greater than \$100,000.

Sec. 401(5). Grant Application Fees Usage

Allows Department to collect grant application fees to be used for direct and indirect cost recovery.

Sec. 401(6). State Art Anchor Organization Grants Funding Limitations

Requires council ensure all organizations receiving state arts anchor organization grants have combined grant awards of no more than 15.0% of operating revenue for fiscal year ending September 30, 2005, and beyond.

Sec. 401(7). Encouraging Professionally-Directed Operations

Provides that council shall continue to encourage nonprofit arts and cultural organizations to move from a solely volunteer based organization to professionally-directed operations.

Sec. 401(8). Limiting Grant Awards

Provides that any organization receiving grants within the anchor organization category in excess of 10.0% of their operating revenue for fiscal year ending September 30, 2004, shall not receive a combined grant award from all grant categories, except the partnership program, that is greater than the combined grant award from these categories that the organization received for the fiscal year ending September 30, 2004.

Sec. 401(9). Regional Regranting Program

Guides council on distribution of funds granted through the regional regranting program. Council provides for an annual assessment of grant management and distribution of mini-grant awards.

Sec. 401(10). Anchor Organization Program Awards

Suggests council provide awards in the anchor organization program not to exceed 70% of the total appropriated for arts and cultural grants.

Sec. 401(11). Arts Grants Reports

Requires a report 30 days after annual grant awards are made and a report when materials are first distributed by the council seeking grant applications for subsequent fiscal year.

Sec. 401(12). Arts Grant Awardees by County Report

Directs Department to provide, within one business day of the final council vote, electronic notification to each legislator of the website location containing the list of arts and cultural grant awardees.

Sec. 401(13). Gross Grant Limitations

Limits Arts and Cultural Grant part 1 gross authorization of 18% to any one organization; recommends 17% in FY 2005-06, 16% in FY 2006-07 and 15% in FY 2007-08.

Sec. 401(14). Unexpended/Unencumbered Arts Grants Funding

Requires Michigan Council for Arts and Cultural Affairs to report by August 1 any available unexpended or unencumbered grant funding; council will not redistribute any funding during the fiscal year without a ten-day notice.

Sec. 501. Historic Site Preservation Grants

Authorizes approximately \$1.4 million federal for Historic Site Preservation grants; authorizes as a work project account.

Sec. 502. Michigan Heritage Fund

Appropriates funds collected for the Michigan Heritage Fund; authorizes fund as a work project account.

Sec. 503. Museum Store

Exempts museum store from purchasing requirements in Management and Budget Act.

Sec. 504. Preserving Michigan Lighthouses

Establishes guidelines for grants to transfer from federal ownership and/or preserve Michigan lighthouses.

Sec. 505. Michigan Freedom Trail Commission and Status Notification

Appropriates \$49,700 for operations of the Michigan Freedom Trail Commission; requires report.

Sec. 506. Sale of State Historical Museum Artifacts

Allows proceeds from the sale of unsuitable Michigan Historic Museum artifacts to be used to purchase additional material for the collection; these revenues are immediately appropriated for expenditure. Department shall notify the chairs and vice-chairs of the appropriations committees one week prior to any auctions or sales.

Sec. 507. Historical Society of Michigan Access to Michigan History Magazine Subscriber List

Makes available to the Historical Society of Michigan the Michigan History Magazine subscriber list at actual cost, unless prohibited by law.

Sec. 508. Local Historical Society Grant Program Guidance

Provides guidance on the use of \$100,000 in the Historical Administration and Services line for a competitive grant program for all state and local historical societies and the State Historical Preservation Network.

Sec. 509. Michigan History Day and the Arenac County Historical Society for the Charity Island Lighthouse – PARTIAL VETO

Allocates \$25,000 for Michigan History Day from Historical Grants appropriation in part 1; Governor vetoed \$10,000 allocation to the Arenac County Historical Society for the Charity Island Lighthouse Preservation Project.

Sec. 601. Local Support for Subregional Library Services

Directs subregional library's fiscal agency to maintain its local support for subregional library services in order to receive Subregional State Aid.

Sec. 602. Approval of Budgets for Subregional Libraries

Requires approval of budgets for subregional libraries by Department prior to release of state funding.

Sec. 603. Computerized Databases

Requires appropriation for Statewide Database Access to be used to set up computerized data bases, search those data bases, and make products of those searches available through libraries of Michigan.

Sec. 607. Book Distribution Centers

Authorizes Book Distribution Centers funding in part 1 for the Public Enrichment Foundation and Michigan Friends of Education at \$163,750 each.

Sec. 609. Digitization Project Language

Details implementation of the Preservation Access for Michigan project; outlines materials to be digitized and accessed through the electronic library and requests an equitable distribution of funds with no grant recipient to receive more than 30% of total appropriation.

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